

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

## PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (x ) HCP ( ) IE ( ) IC	<b>Response Timely Filed?</b> (x ) Yes ( ) No
Requestor's Name and Address Presbyterian Hospital of Dallas P O Box 910013 Dallas, TX 75391	MDR Tracking No.: M4-03-7067-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address Employers General Insurance 901 S. Mo Pac Expy. Gldg. 4 Austin, TX 78746-5776  Austin Commission Representative Box 02	Date of Injury:
	Employer's Name: Beard Mechanical Contractors
	Insurance Carrier's No.: 900000918

## PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
9/19/02	9/24/02	Surgical Admission	\$ 22,965.73	\$ 0.00

## PART III: REQUESTOR'S POSITION SUMMARY

This medical dispute was filed because the provider feels the bill was audited incorrectly. This bill was for inpatient surgical care and qualified as a Stop Loss bill per Presbyterian's interpretation of rule 134.401. If audited charges exceed \$40,000.00, carrier should reimburse 75% of total charges (134.401 C (6)). Per Stop Loss rule, this method is to be used in place of and not in addition to per diem/Fair and Reasonable or any other method of audit. In addition, the only items allowable for the carrier to deduct are patient convenience items and non-compensable treatment. If carrier wants to audit bill further, they are required to do an onsite audit.

## PART IV: RESPONDENT'S POSITION SUMMARY

"The requestor is incorrectly relying upon and applying TWCC Rule 134.601 ( c ) (6). The implants, billed at \$40,982.00, were added to the hospital service charges to attempt to bring the charges over the threshold of \$40,000 to qualify for the stop-loss method of reimbursement. Rule 1346.601 refers to "unusually costly services." Implants are a product, not a service."

## PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the documentation provided by both parties, it does **not** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The total length of stay for this admission was five days (consisting of 5 days surgical days). Accordingly, the standard per diem amount due for this admission is equal to \$ 5,590.00(5 times \$1,118); however, the requestor only billed \$ 3,000.00. In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals as follows

The requestor did not submit a copy of the invoice(s) for the implantables, therefore no reimbursement can be determined.

The carrier has reimbursed the provider for \$32,243.10

Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that no additional reimbursement is due for these services.

#### **PART VI: COMMISSION DECISION**

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Findings and Decision by:

03-03-05

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Typed Name

\_\_\_\_\_  
Date of Order

#### **PART VII: YOUR RIGHT TO REQUEST A HEARING**

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on \_\_\_\_\_. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

**Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**

#### **PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION**

I hereby verify that I received a copy of this Decision in the Austin Representative's box.

Signature of Insurance Carrier: \_\_\_\_\_ Date: \_\_\_\_\_